

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF NEW JERSEY

In re: Aceto Corporation, et. Al

Case No. (Jointly Administered)  
Reporting Period:  
Federal Tax I.D. #

19-13448  
February 20, 2019 - March 31, 2019  
11-1720520

**CORPORATE MONTHLY OPERATING REPORT**

File with the Court and submit a copy to the United States Trustee within 20 days after the end of the month and submit a copy of the report to any official committee appointed in the case.

| REQUIRED DOCUMENTS   | Form No. | Document Attached | Explanation Attached |
|--|----------|-------------------|----------------------|
| Schedule of Cash Receipts and Disbursements                                | MOR-1    | X                 |                      |
| Bank Reconciliation (or copies of debtor's bank reconciliations)           | MOR-1a   | X                 | See Attestation      |
| Schedule of Retained Professional Fees Paid                                | MOR-1b   | X                 |                      |
| Copies of bank statements (See Notes to the MOR)                           |          |                   | X                    |
| Cash disbursements journals (See Notes to the MOR)                         |          |                   | X                    |
| Statement of Operations (Income Statement)                                 | MOR-2    | X                 |                      |
| Balance Sheet  | MOR-3    | X                 |                      |
| Status of Post-petition Taxes  | MOR-4    | X                 | See Attestation      |
| Copies of IRS Form 6123 or payment receipt (See Notes to the MOR)          |          |                   | X                    |
| Copies of tax returns filed during reporting period (See Notes to the MOR) |          |                   | X                    |
| Summary of Unpaid Post-petition Debts (See Notes to the MOR)               | MOR-4a   |                   | X                    |
| Listing of Aged Accounts Payable (See Notes to the MOR)                    | MOR-4a   |                   | X                    |
| Accounts Receivable Reconciliation and Aging (See Notes to the MOR)        | MOR-5    |                   | X                    |
| Debtor Questionnaire   | MOR-6    | X                 |                      |

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

/s/ Rebecca A. Roof  
Signature of Authorized Individual\*

April 29, 2019  
Date

Rebecca A. Roof  
Printed Name of Authorized Individual

Chief Financial Officer  
Title

\*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

In re: Aceto Corporation, et. Al

Case No. (Jointly Administered)

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MOR Notes

19-13448

11-1720520

**Notes to the Monthly Operating Report**

**GENERAL:**

The report includes activity from the following Debtors and related Case Numbers:

| Debtor                                  | Case Number | Debtor              | Case Number |
|---|-------------|---------------------|-------------|
| Aceto Corporation                       | 19-13448    | Acetris Health, LLC | 19-13452    |
| Aceto Agricultural Chemical Corporation | 19-13449    | Arsynco, Inc.       | 19-13454    |
| Rising Pharmaceuticals, Inc.            | 19-13447    | Aceto Realty LLC    | 19-13450    |
| PACK Pharmaceuticals, LLC               | 19-13453    | Acci Realty Corp.   | 19-13455    |
| Rising Health, LLC                      | 19-13451    |                     |             |

**Notes to the MOR:**

This Monthly Operating Report ("MOR") has been prepared solely for the purpose of complying with the monthly reporting requirements applicable in the bankruptcy cases and is in a format acceptable to the U.S. Trustee. The financial information contained herein is unaudited, limited in scope and as discussed below, is not prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

The unaudited financial statements have been derived from the books and records of the Debtors. The information furnished in this report includes primarily normal recurring adjustments, but not all the adjustments that would typically be made for the quarterly and annual financial statements to be in accordance with U.S. GAAP. Furthermore, the monthly financial information contained herein has not been subjected to the same level of accounting review and testing that Aceto Corporation and related Debtors applies in the preparation of its quarterly and annual financial information in accordance with U.S. GAAP. Accordingly, upon the application of such procedures, the Debtors believe that the financial information may be subject to change, and these changes could be material.

The financial statements presented in MOR-2 and MOR-3 do not include elimination entries for intercompany balances related to non-debtor affiliates. Investment in subsidiary balances are recorded at cost which may not be in accordance with U.S. GAAP. The amounts currently classified as liabilities subject to compromise may be subject to future change as the Company completes its analysis of prepetition liabilities.

The results of operations contained herein are not necessarily indicative of results which may be expected from any other period or for the full year and may not necessarily reflect the consolidated results of operations, financial position and cash flows of the Debtors in the future. The Debtors caution readers not to place undue reliance upon the MOR. There can be no assurance that such information is complete and the MOR may be subject to revision.

**Notes to MOR-1a:**

The Debtors maintain 24 total bank accounts (collectively, the "Bank Accounts") at several financial institutions (the "Banks"). The Bank Accounts vary in purpose and function across the Debtors, and each Debtor's Bank Accounts serve its respective business accordingly.

**Notes to MOR-2:**

The Income Statement reflects revenue and expenses for the reporting month of February and of March that directly correspond to the listed debtor legal entity.

**Notes to MOR-3:**

The Balance Sheet reflects assets, liabilities, and stockholders equity that directly correspond to the debtor legal entity.

As a result of the commencement of these chapter 11 Cases, the payment of pre-petition indebtedness is subject to compromise or other treatment under a chapter 11 plan. The Bankruptcy Court authorized the Debtors to pay certain prepetition claims, including but not limited to general trade and tax claims. To the extent such claims have been categorized as "Liabilities Not Subject to Compromise," the Debtors reserve their right to dispute their obligation to make such payments. The Debtors have been paying and intend to continue to pay undisputed post-petition claims arising in the ordinary course of business.

The liability information, except as otherwise noted, is listed as of the close of business as of the end of the month. Accordingly, the Debtors reserve all rights to amend, supplement or otherwise modify this Monthly Operating Report as necessary and appropriate, but shall be under no obligation to do so. The Debtors have paid certain prepetition liabilities in accordance with orders approved by the Bankruptcy Court authorizing such payments. The Debtors believe that all undisputed post-petition accounts payable have been and are being paid according to agreed-upon terms specific to each vendor and/or service provider and as authorized by the Bankruptcy Court. These payments are limited to payments made to vendors and service providers who provide services that are necessary to the operation of the Debtors' business. In addition, the liabilities reported in this Monthly Operating Report do not reflect any analysis conducted by the Debtors regarding potential claims under section 503(b)(9) of the Bankruptcy Code. Accordingly, the Debtors reserve any and all of their rights to dispute or challenge the validity of any claims asserted under section 503(b)(9) of the Bankruptcy Code or the characterization of the structure of any transaction, document or instrument related to any creditor's claim.

**Notes to MOR-4:**

Aceto Corporation and related debtors received authority pursuant to certain first-day orders for the payment of prepetition taxes and certain other prepetition liabilities. The Debtors are current on all post petition payables other than disputes that arise in the ordinary course of business.

**Notes to MOR 4a and MOR 5:**

Aceto Corporation and related debtors will disclose the ending accounts receivable and accounts payable balances as part of MOR 3. Due to the volume of transactions related to customer and vendor billings and payments, these items will be made available upon request.

In re: Aceto Corporation, et. Al

|                                 |                                    |
|---------------------------------|------------------------------------|
| Case No. (Jointly Administered) | MOR Notes                          |
| Reporting Period:               | 19-13448                           |
|                                 | February 20, 2019 - March 31, 2019 |
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**Notes to the Monthly Operating Report**

**Notes to MOR-5:**

The Debtors reconcile and age individual customer accounts receivables in the normal course of the Debtors' operations.

**Notes to MOR-6:**

The Company opened a new bank account with Wells Fargo (4853) for the DIP financing activity. Additional information is available upon request.

In re: Aceto Corporation, et. Al

Case No. (Jointly Administered)  
Reporting Period:

MOR-1  
19-13448  
February 20 - 28, 2019

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**Schedule of Cash Receipts and Disbursements**  
**Whole Values**

| Debtor  | Case Number | Cash Receipts       | Cash Disbursements |
|---|-------------|---------------------|--------------------|
| Aceto Corporation                                 | 19-13448    | \$6,327,369         | \$3,140,890        |
| Aceto Agricultural Chemical Corporation           | 19-13449    | 1,381,320           | 322,075            |
| Rising Pharmaceuticals, Inc.                      | 19-13447    | 4,071,869           | 671,544            |
| PACK Pharmaceuticals, LLC                         | 19-13453    | -                   | -                  |
| Rising Health, LLC                                | 19-13451    | -                   | -                  |
| Acetris Health, LLC                               | 19-13452    | 2,085,687           | -                  |
| Arsynco, Inc.                                     | 19-13454    | -                   | -                  |
| Aceto Realty LLC                                  | 19-13450    | -                   | 26,158             |
| Acci Realty Corp.                                 | 19-13455    | -                   | -                  |
| <b>Total Cash Receipts and Cash Disbursements</b> |             | <b>\$13,866,245</b> | <b>\$4,160,666</b> |

Note:

- (1) Includes DIP Funding.
- (2) Excludes transfers between Debtors.
- (3) Cash receipts and disbursement amounts based on checks cleared, wires, and other transfer of funds.

In re: Aceto Corporation, et. Al

**MOR-1**  
**19-13448**  
**Case No. (Jointly Administered)**  
**Reporting Period: March 1, 2019 - March 30, 2019**  
**Federal Tax I.D. # 11-1720520**

**Schedule of Cash Receipts and Disbursements**  
**Whole Values**

| <b>Debtor</b>                                     | <b>Case Number</b> | <b>Cash Receipts</b> | <b>Cash Disbursements</b> |
|---|--------------------|----------------------|---------------------------|
| Aceto Corporation                                 | 19-13448           | \$14,968,347         | \$15,563,601              |
| Aceto Agricultural Chemical Corporation           | 19-13449           | 3,657,471            | 3,885,481                 |
| Rising Pharmaceuticals, Inc.                      | 19-13447           | 21,969,972           | 21,390,541                |
| PACK Pharmaceuticals, LLC                         | 19-13453           | -                    | -                         |
| Rising Health, LLC                                | 19-13451           | -                    | -                         |
| Acetris Health, LLC                               | 19-13452           | 9,023,726            | 3,305,119                 |
| Arsynco, Inc.                                     | 19-13454           | -                    | -                         |
| Aceto Realty LLC                                  | 19-13450           | -                    | -                         |
| Acci Realty Corp.                                 | 19-13455           | -                    | -                         |
| <b>Total Cash Receipts and Cash Disbursements</b> |                    | <b>\$49,619,516</b>  | <b>\$44,144,741</b>       |

Note:

- (1) Includes DIP Funding.
- (2) Excludes transfers between Debtors.
- (3) Cash receipts and disbursement amounts based on checks cleared, wires, and other transfer of funds.

In re: Aceto Corporation, et. Al

Case No. (Jointly Administered)  
Reporting Period:

MOR-1a  
19-13448  
February 20 - 28, 2019

Federal Tax I.D. #

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**Bank Account Information**

Whole Values

| Legal Entity                | Bank                 | Last 4 Digits of Account Number | Book Balance        |
|-----------------------------|----------------------|---------------------------------|---------------------|
| Rising Pharmaceuticals, Inc | Wells Fargo          | 5236                            | \$4,362,106         |
| Rising Pharmaceuticals, Inc | Wells Fargo          | 5244                            | 60,986              |
| Acetris Health, LLC         | Wells Fargo          | 7026                            | 2,566,918           |
| PACK Pharmaceuticals, Inc   | Wells Fargo          | 5771                            | 69                  |
| Rising Health LLC           | Valley National Bank | 9996                            | 119,131             |
| Acetris Health, LLC         | Valley National Bank | 9988                            | 5,633               |
| Acetris Health, LLC         | Valley National Bank | 7066                            | -                   |
| Rising Health LLC           | Valley National Bank | 3542                            | 393,169             |
| Aceto Corp                  | JP Morgan Chase      | 8648                            | 10,178,900          |
| Aceto Corp                  | JP Morgan Chase      | 5641                            | 301,366             |
| Aceto Corp                  | JP Morgan Chase      | 6899                            | 22,075 [A]          |
| Acci Realty                 | JP Morgan Chase      | 4828                            | 2,740               |
| Arsynco, Inc                | JP Morgan Chase      | 3783                            | 91,429              |
| Aceto Realty                | JP Morgan Chase      | 9364                            | 14,628              |
| Aceto Corp                  | TD Bank              | 9140                            | 100,278 [B]         |
| Aceto Corp                  | TD Bank              | 9637                            | 6,552 [B]           |
| Aceto Corp                  | Citizens             | 8579                            | 47,599 [C]          |
| Aceto Corp                  | Citibank             | 2449                            | 10,128              |
| Aceto Corp                  | Wells Fargo          | 4853                            | 866,111             |
| Aceto Corp                  | Wells Fargo          | 3076                            | 224,055             |
| Aceto Corp                  | Wells Fargo          | 3036                            | 28,810              |
| Aceto Corp                  | Wells Fargo          | 3166                            | 128,697             |
| Aceto Corp                  | Wells Fargo          | 3066                            | 25,934              |
| Aceto Agricultural Corp     | Chase                | 5722                            | 1,967,946           |
| Aceto Agricultural Corp     | Wells Fargo          | 4036                            | 150,152             |
| Aceto Agricultural Corp     | Wells Fargo          | 4166                            | 56,031              |
|                             |                      |                                 | <b>\$21,731,443</b> |

**Notes to MOR 1-a:**

All amounts listed above are the bank balances as of the end of the month. Copies of bank statements and cash disbursement journals are not included in this MOR. These items will be made available upon request.

[A] Account was created to hold the adequate assurance deposit for utility providers pursuant to the First Day Order entered on March 15, 2019.

[B] Account was closed on April 10, 2019 and will not be included in future Monthly Operating Reports.

[C] Account was closed on March 22, 2019 and will not be included in future Monthly Operating Reports.

In re: Aceto Corporation, et. Al

Case No. (Jointly Administered)  
Reporting Period:

MOR-1a  
19-13448  
March 1, 2019 - March 30, 2019

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**Bank Account Information**

Whole Values

| Legal Entity                | Bank                 | Last 4 Digits of Account Number | Book Balance        |
|-----------------------------|----------------------|---------------------------------|---------------------|
| Rising Pharmaceuticals, Inc | Wells Fargo          | 5236                            | \$1,441,371         |
| Rising Pharmaceuticals, Inc | Wells Fargo          | 5244                            | 59,929              |
| Acetris Health, LLC         | Wells Fargo          | 7026                            | 85,525              |
| PACK Pharmaceuticals, Inc   | Wells Fargo          | 5771                            | 236                 |
| Rising Health LLC           | Valley National Bank | 9996                            | 18,053              |
| Acetris Health, LLC         | Valley National Bank | 9988                            | 5,633               |
| Acetris Health, LLC         | Valley National Bank | 7066                            | -                   |
| Rising Health LLC           | Valley National Bank | 3542                            | 393,169             |
| Aceto Corp                  | JP Morgan Chase      | 8648                            | 9,021,996           |
| Aceto Corp                  | JP Morgan Chase      | 5641                            | 301,729             |
| Aceto Corp                  | JP Morgan Chase      | 6899                            | 22,075 [A]          |
| Acci Realty                 | JP Morgan Chase      | 4828                            | 2,740               |
| Arsynco, Inc                | JP Morgan Chase      | 3783                            | 91,429              |
| Aceto Realty                | JP Morgan Chase      | 9364                            | 14,628              |
| Aceto Corp                  | TD Bank              | 9140                            | 100,371 [B]         |
| Aceto Corp                  | TD Bank              | 9637                            | 5,491 [B]           |
| Aceto Corp                  | Citizens             | 8579                            | - [C]               |
| Aceto Corp                  | Citibank             | 2449                            | 9,693               |
| Aceto Corp                  | Wells Fargo          | 4853                            | 102,426             |
| Aceto Corp                  | Wells Fargo          | 3076                            | 94,318              |
| Aceto Corp                  | Wells Fargo          | 3036                            | 28,827              |
| Aceto Corp                  | Wells Fargo          | 3166                            | 113,337             |
| Aceto Corp                  | Wells Fargo          | 3066                            | 7,077               |
| Aceto Agricultural Corp     | Chase                | 5722                            | 1,981,643           |
| Aceto Agricultural Corp     | Wells Fargo          | 4036                            | 134,308             |
| Aceto Agricultural Corp     | Wells Fargo          | 4166                            | 55,967              |
|                             |                      |                                 | <b>\$14,091,973</b> |

**Notes to MOR 1-a:**

All amounts listed above are the bank balances as of the end of the month. Copies of bank statements and cash disbursement journals are not included in this MOR. These items will be made available upon request.

[A] Account was created to hold the adequate assurance deposit for utility providers pursuant to the First Day Order entered on March 15, 2019.

[B] Account was closed on April 10, 2019 and will not be included in future Monthly Operating Reports.

[C] Account was closed on March 22, 2019 and will not be included in future Monthly Operating Reports.

In re: Aceto Corporation, et. Al

Case No. (Jointly Administered)

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MOR-1a

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**Bank Reconciliation (or copies of debtor's bank reconciliations)**

|  |  |  |  |  |
|--|--|--|--|--|
|  |  |  |  |  |
|--|--|--|--|--|

The above-captioned debtors (the "Debtors") hereby submit this attestation regarding bank account reconciliations in lieu of providing copies of bank statements, journals, and account reconciliations.

I attest that each of the Debtors' bank accounts is reconciled to bank statements. The Debtors' standard practice is to ensure that each bank account is reconciled to bank statements once per month within 31 days after the month end.

/s/ Rebecca A. Roof

Signature of Authorized Individual

April 29, 2019

Date

Rebecca A. Roof

Printed Name of Authorized Individual

Chief Financial Officer

Title of Authorized Individual



In re: Aceto Corporation, et. Al

Case No. (Jointly Administered)

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MOR-1b

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**Schedule of Retained Professional Fees Paid**

**Whole Values**

| Payee                          | Role of Professional            | Amount Paid      | Cumulative Payments<br>Since Filing |
|--------------------------------|---------------------------------|------------------|-------------------------------------|
| LOWENSTEIN SANDLER LLP         | DEBTORS' COUNSEL                | \$0              | \$0                                 |
| PJT PARTNERS LP                | DEBTORS' INVESTMENT BANKER      | 326,786          | 326,786                             |
| AP SERVICES                    | DEBTORS' FINANCIAL ADVISOR      | -                | -                                   |
| PRIME CLERK                    | DEBTORS' ADMINISTRATIVE ADVISOR | 60,305           | 60,305                              |
| MCGUIREWOODS LLP               | LENDERS' COUNSEL                | 171,568          | 171,568                             |
| FTI CONSULTING INC.            | LENDERS' FINANCIAL ADVISOR      | -                | -                                   |
| STROOK & STROOK & LAVAN LLP    | COMMITTEE COUNSEL               | -                | -                                   |
| PORZIO BROMBERG & NEWMAN, P.C. | COMMITTEE COUNSEL               | -                | -                                   |
| GLASSRATNER                    | COMMITTEE FINANCIAL ADVISOR     | -                | -                                   |
| HOULIHAN LOKEY                 | COMMITTEE INVESTMENT BANKER     | -                | -                                   |
|                                |                                 | <b>\$558,658</b> | <b>\$558,658</b>                    |

In re: Aceto Corporation, et. Al

Case No. (Jointly Administered) MOR-2  
19-13448  
Reporting Period: Month Ending February 28, 2019  
Federal Tax I.D. # 11-1720520

| UNAUDITED<br>Statement of Operations (Income Statement) |   |                                     |                                 |                                      |   |                                       |  |                                      |      |
|---|---|-------------------------------------|---------------------------------|--------------------------------------|---|---------------------------------------|--|--------------------------------------|------|
| Aceto Corporation<br>19-13448 (VFP)                     | Aceto Agricultural<br>Chemical Corp<br>19-13449 (VFP) | Aceto Realty, LLP<br>19-13450 (VFP) | Arsynco, Inc.<br>19-13454 (VFP) | Aceti Realty Corp.<br>19-13455 (VFP) | Rising<br>Pharmaceuticals, Inc.<br>19-13447 (VFP) | Acetris Health, LLC<br>19-13452 (VFP) | PACK<br>Pharmaceuticals, LLC<br>19-13453 (VFP) | Rising Health, LLC<br>19-13451 (VFP) |      |
| Total Sales - Net                                       | \$ 13,053,034   | \$ 1,114,404                        | \$ -                            | \$ -                                 | \$ -  | \$ 17,514,618                         | \$ 1,442,095                                   | \$ -                                 | \$ - |
| Total Cost of Goods Sold                                | (10,371,550)  | (974,570)                           | -                               | -                                    | -   | (15,873,921)                          | (1,422,120)                                    | -                                    | -    |
| Gross Margin  | 2,681,483   | 139,834                             | -                               | -                                    | -   | 1,640,696                             | 19,975   | -                                    | -    |
| Total S,G&A Expenses                                    | (1,570,855)   | (222,452)                           | -                               | (2,913)                              | -   | (5,781,696)                           | -  | -                                    | -    |
| Total Corporate Overhead Allocation                     | -   | -                                   | -                               | -                                    | -   | (316,816)                             | -  | -                                    | -    |
| OPERATING PROFIT  | \$ 1,110,628  | \$ (82,618)                         | \$ -                            | \$ (2,913)                           | \$ -  | \$ (4,457,816)                        | \$ 19,975                                      | \$ -                                 | \$ - |
| Professional Fees                                       | (10,421,652)  | (81,388)                            | -                               | -                                    | -   | -                                     | -  | -                                    | -    |
| Interest income   | -   | -                                   | -                               | -                                    | -   | -                                     | -  | -                                    | -    |
| Exchange gains realised                                 | (7,150)   | (17)                                | -                               | -                                    | -   | -                                     | -  | -                                    | -    |
| (Gain) Loss On Sale Of Assets                           | -   | -                                   | -                               | -                                    | -   | -                                     | -  | -                                    | -    |
| Provision For Bad Debt                                  | -   | -                                   | -                               | -                                    | -   | -                                     | -  | -                                    | -    |
| Other financial income                                  | 1,907   | -                                   | -                               | -                                    | -   | -                                     | -  | -                                    | -    |
| Total Non-Operating Income/(Expense)                    | (10,426,895)  | (81,405)                            | -                               | -                                    | -   | -                                     | -  | -                                    | -    |
| Interest Expense  | (681,124)   | -                                   | (9,712)                         | -                                    | -   | -                                     | -  | -                                    | -    |
| PROFIT/(LOSS) BEFORE TAXES                              | \$ (9,997,391)  | \$ (164,023)                        | \$ (9,712)                      | \$ (2,913)                           | \$ -  | \$ (4,457,816)                        | \$ 19,975                                      | \$ -                                 | \$ - |
| TOTAL TAXES   | 93,420  | -                                   | -                               | -                                    | -   | -                                     | -  | -                                    | -    |
| NET PROFIT / (LOSS)                                     | \$ (9,903,971)  | \$ (164,023)                        | \$ (9,712)                      | \$ (2,913)                           | \$ -  | \$ (4,457,816)                        | \$ 19,975                                      | \$ -                                 | \$ - |

The notes to this monthly operating report are an integral part of these combined financial statements.

In re: Aceto Corporation, et. Al

Case No. (Jointly Administered) MOR-2  
19-13448  
Reporting Period: Month Ending March 31, 2019  
Federal Tax I.D. # 11-1720520

| UNAUDITED<br>Statement of Operations (Income Statement) |   |                                     |                                 |                                      |   |                                       |  |                                      |      |
|---|---|-------------------------------------|---------------------------------|--------------------------------------|---|---------------------------------------|--|--------------------------------------|------|
| Aceto Corporation<br>19-13448 (VFP)                     | Aceto Agricultural<br>Chemical Corp<br>19-13449 (VFP) | Aceto Realty, LLP<br>19-13450 (VFP) | Arsynco, Inc.<br>19-13454 (VFP) | Aceti Realty Corp.<br>19-13455 (VFP) | Rising<br>Pharmaceuticals, Inc.<br>19-13447 (VFP) | Acetris Health, LLC<br>19-13452 (VFP) | PACK<br>Pharmaceuticals, LLC<br>19-13453 (VFP) | Rising Health, LLC<br>19-13451 (VFP) |      |
| Total Sales - Net                                       | \$ 14,274,360   | \$ 5,662,581                        | \$ -                            | \$ -                                 | \$ -  | \$ 25,454,348                         | \$ 1,948,405                                   | \$ -                                 | \$ - |
| Total Cost of Goods Sold                                | (12,026,667)  | (3,904,700)                         | -                               | -                                    | -   | (19,972,464)                          | (1,758,160)                                    | -                                    | -    |
| Gross Margin  | 2,247,693   | 1,757,881                           | -                               | -                                    | -   | 5,481,883                             | 190,245  | -                                    | -    |
| Total S,G&A Expenses                                    | (5,002,089)   | (278,059)                           | 99,490                          | (22,131)                             | -   | (7,110,971)                           | -  | -                                    | -    |
| Total Corporate Overhead Allocation                     | 2,383,104   | (1,033,651)                         | -                               | -                                    | -   | (316,816)                             | -  | -                                    | -    |
| OPERATING PROFIT  | \$ (371,292)  | \$ 446,171                          | \$ 99,490                       | \$ (22,131)                          | \$ -  | \$ (1,945,904)                        | \$ 190,245                                     | \$ -                                 | \$ - |
| Professional Fees                                       | (7,832,222)   | -                                   | -                               | -                                    | -   | -                                     | -  | -                                    | -    |
| Interest income   | 94  | -                                   | -                               | -                                    | -   | -                                     | -  | -                                    | -    |
| Exchange gains realised                                 | (40,189)  | (37,626)                            | -                               | -                                    | -   | -                                     | -  | -                                    | -    |
| (Gain) Loss On Sale Of Assets                           | -   | -                                   | -                               | -                                    | -   | -                                     | -  | -                                    | -    |
| Provision For Bad Debt                                  | -   | -                                   | -                               | -                                    | -   | -                                     | -  | -                                    | -    |
| Other financial income                                  | 53,393  | 131,304                             | -                               | -                                    | -   | -                                     | -  | -                                    | -    |
| Total Non-Operating Income/(Expense)                    | (7,818,924)   | 93,678                              | -                               | -                                    | -   | -                                     | -  | -                                    | -    |
| Interest Expense  | (6,900,702)   | -                                   | (11,076)                        | -                                    | -   | -                                     | -  | -                                    | -    |
| PROFIT/(LOSS) BEFORE TAXES                              | \$ (15,090,918)                                       | \$ 539,849                          | \$ 88,414                       | \$ (22,131)                          | \$ -  | \$ (1,945,904)                        | \$ 190,245                                     | \$ -                                 | \$ - |
| TOTAL TAXES   | (88,362)  | -                                   | -                               | -                                    | -   | -                                     | -  | -                                    | -    |
| NET PROFIT / (LOSS)                                     | \$ (15,179,280)                                       | \$ 539,849                          | \$ 88,414                       | \$ (22,131)                          | \$ -  | \$ (1,945,904)                        | \$ 190,245                                     | \$ -                                 | \$ - |

The notes to this monthly operating report are an integral part of these combined financial statements.

In re: Aceto Corporation, et. Al

Case No. (Jointly Administered) MOR-3  
19-13448  
Reporting Period: Month Ending February 28, 2019  
Federal Tax I.D. # 11-1720520

| UNAUDITED<br>Balance Sheet                      |   |                                     |                                 |                                     |   |                                       |  |                                      |      |
|---|---|-------------------------------------|---------------------------------|-------------------------------------|---|---------------------------------------|--|--------------------------------------|------|
| Aceto Corporation<br>19-13448 (VFP)             | Aceto Agricultural<br>Chemical Corp<br>19-13449 (VFP) | Aceto Realty, LLP<br>19-13450 (VFP) | Arsynco, Inc.<br>19-13454 (VFP) | Acci Realty Corp.<br>19-13455 (VFP) | Rising<br>Pharmaceuticals, Inc.<br>19-13447 (VFP) | Acetris Health, LLC<br>19-13452 (VFP) | PACK<br>Pharmaceuticals, LLC<br>19-13453 (VFP) | Rising Health, LLC<br>19-13451 (VFP) |      |
| Cash & Cash Equivalents                         | \$ 13,781,853   | \$ 2,882,750                        | \$ 14,628                       | \$ 496,482                          | \$ 2,740  | 4,909,116                             | \$ 2,572,551                                   | \$ -                                 | \$ - |
| Account receivables Net                         | 33,045,761  | 7,425,408                           | -                               | -                                   | -   | 127,153,155                           | 5,114,944                                      | -                                    | -    |
| Other receivables                               | (991,386)   | 1,568                               | 1,081                           | 1,804,570                           | -   | (0)                                   | -  | -                                    | -    |
| Due From/(To) Affiliates                        | (85,317,914)  | 29,268,046                          | (1,910,186)                     | (14,566,749)                        | (302,315)   | 71,339,325                            | -  | -                                    | -    |
| Total inventories                               | 44,786,883  | 19,539,542                          | -                               | -                                   | -   | 61,810,821                            | 5,981,542                                      | -                                    | -    |
| Income Tax Receivable                           | 1,494,550   | -                                   | -                               | -                                   | -   | 1,402,351                             | -  | -                                    | -    |
| Prepaid expenses                                | 3,018,333   | 146,900                             | -                               | -                                   | -   | 3,421,343                             | -  | -                                    | -    |
| Total Current Assets                            | \$ 9,818,080  | \$ 59,264,215                       | \$ (1,894,477)                  | \$ (12,265,697)                     | \$ (299,576)                                      | \$ 270,036,111                        | \$ 13,669,036                                  | \$ -                                 | \$ - |
| Investments                                     | 190,574   | 1,807,511                           | -                               | -                                   | -   | -                                     | -  | -                                    | -    |
| Investments in Subsidiaries & Affiliates        | 612,435,426   | 240                                 | -                               | -                                   | -   | -                                     | -  | -                                    | -    |
| Total Investments                               | 612,626,000   | 1,807,751                           | -                               | -                                   | -   | -                                     | -  | -                                    | -    |
| Property, plant & equipment                     | 3,143,481   | 3,877                               | 7,898,289                       | -                                   | -   | 2,374,484                             | -  | -                                    | -    |
| (Less: Acc. Deprec. Property, plant & equipmen) | (2,838,048)   | (3,877)                             | (2,856,736)                     | -                                   | -   | (1,949,637)                           | -  | -                                    | -    |
| Property, plant & equipment - net               | 305,433   | -                                   | 5,041,552                       | -                                   | -   | 424,847                               | -  | -                                    | -    |
| Total Intangible Assets - Net                   | 1,003,777   | 2,575,278                           | -                               | -                                   | -   | 218,522,890                           | 1,403,545                                      | -                                    | -    |
| Deferred Tax Assets - Net of Allowances         | 86,515  | -                                   | -                               | -                                   | -   | -                                     | -  | -                                    | -    |
| Other Assets - LT                               | 3,771,345   | 300,000                             | -                               | -                                   | -   | 5,999                                 | -  | -                                    | -    |
| Property held For Sale - LT                     | -   | -                                   | -                               | 6,112,710                           | -   | -                                     | -  | -                                    | -    |
| Total Long Term Assets                          | \$ 617,793,070  | \$ 4,683,029                        | \$ 5,041,552                    | \$ 6,112,710                        | \$ -  | \$ 218,953,736                        | \$ 1,403,545                                   | \$ -                                 | \$ - |
| Total Assets                                    | \$ 627,611,150  | \$ 63,947,244                       | \$ 3,147,075                    | \$ (6,152,987)                      | \$ (299,576)                                      | \$ 488,989,847                        | \$ 15,072,581                                  | \$ -                                 | \$ - |
| Account payables                                | 6,312,373   | (346,177)                           | -                               | -                                   | -   | 10,012,808                            | (903,714)                                      | -                                    | -    |
| Short-term bank loans                           | 23,000,000  | -                                   | 197,350                         | -                                   | -   | -                                     | -  | -                                    | -    |
| Accrued Compensation                            | 2,037,365   | 137,116                             | -                               | -                                   | -   | 1,681,114                             | -  | -                                    | -    |
| Accrued Income Tax                              | (66,926)  | -                                   | -                               | -                                   | -   | (2,208,291)                           | -  | -                                    | -    |
| Accrued Environmental Remediation               | -   | -                                   | -                               | 4,010,155                           | -   | -                                     | -  | -                                    | -    |
| Accrued expenses - Other                        | (896,146)   | (313,132)                           | -                               | -                                   | -   | 87,928,047                            | 2,190,229                                      | -                                    | -    |
| Total Current Liabilities                       | \$ 30,386,665   | \$ (522,193)                        | \$ 197,350                      | \$ 4,010,155                        | \$ -  | \$ 97,413,678                         | \$ 1,286,516                                   | \$ -                                 | \$ - |
| Bank & Long-term loans payable                  | -   | -                                   | 2,236,633                       | -                                   | -   | -                                     | -  | -                                    | -    |
| Convertible Senior Debt                         | (1,566,126)   | -                                   | -                               | -                                   | -   | -                                     | -  | -                                    | -    |
| Accrued Income Tax LT                           | 5,322,572   | -                                   | -                               | -                                   | -   | -                                     | -  | -                                    | -    |
| Other long-term liabilities                     | 850,702   | 394,188                             | -                               | -                                   | -   | -                                     | -  | -                                    | -    |
| Total Long Term Liabilities                     | \$ 4,607,147  | \$ 394,188                          | \$ 2,236,633                    | \$ -                                | \$ -  | \$ -                                  | \$ -   | \$ -                                 | \$ - |
| Total Liabilities Not Subject to Compromise     | \$ 34,993,813   | \$ (128,005)                        | \$ 2,433,983                    | \$ 4,010,155                        | \$ -  | \$ 97,413,678                         | \$ 1,286,516                                   | \$ -                                 | \$ - |
| Total Liabilities Subject to Compromise         | \$ 326,164,167  | \$ 6,987,096                        | \$ -                            | \$ -                                | \$ -  | \$ 148,198,292                        | \$ 6,690,006                                   | \$ -                                 | \$ - |
| Shareholders' Equity                            | \$ 266,453,171  | \$ 57,088,153                       | \$ 713,092                      | \$ (10,163,142)                     | \$ (299,576)                                      | \$ 243,377,877                        | \$ 7,096,060                                   | \$ -                                 | \$ - |
| Total Liabilities & Shareholders Equity         | \$ 627,611,150  | \$ 63,947,244                       | \$ 3,147,075                    | \$ (6,152,987)                      | \$ (299,576)                                      | \$ 488,989,847                        | \$ 15,072,581                                  | \$ -                                 | \$ - |

The notes to this monthly operating report are an integral part of these combined financial statements.

In re: Aceto Corporation, et. Al

Case No. (Jointly Administered) MOR-3  
19-13448  
Reporting Period: Month Ending March 31, 2019  
Federal Tax I.D. # 11-1720520

| UNAUDITED<br>Balance Sheet                      |   |                                     |                                 |                                     |   |                                       |  |                                      |      |
|---|---|-------------------------------------|---------------------------------|-------------------------------------|---|---------------------------------------|--|--------------------------------------|------|
| Aceto Corporation<br>19-13448 (VFP)             | Aceto Agricultural<br>Chemical Corp<br>19-13449 (VFP) | Aceto Realty, LLP<br>19-13450 (VFP) | Arsynco, Inc.<br>19-13454 (VFP) | Acci Realty Corp.<br>19-13455 (VFP) | Rising<br>Pharmaceuticals, Inc.<br>19-13447 (VFP) | Acetris Health, LLC<br>19-13452 (VFP) | PACK<br>Pharmaceuticals, LLC<br>19-13453 (VFP) | Rising Health, LLC<br>19-13451 (VFP) |      |
| Cash & Cash Equivalents                         | \$ 9,392,381  | \$ 1,780,107                        | \$ 14,628                       | \$ 312,973                          | \$ 2,740  | 937,438                               | \$ 91,157                                      | \$ -                                 | \$ - |
| Account receivables Net                         | 31,688,907  | 9,364,976                           | -                               | -                                   | -   | 139,259,598                           | 4,600,812                                      | -                                    | -    |
| Other receivables                               | 108,945   | 236,413                             | 1,081                           | 1,654,426                           | -   | (0)                                   | -  | -                                    | -    |
| Due From/(To) Affiliates                        | (76,248,130)  | 28,178,150                          | (1,738,667)                     | (14,566,749)                        | (302,315)   | 63,658,755                            | -  | -                                    | -    |
| Total inventories                               | 44,723,438  | 16,432,363                          | -                               | -                                   | -   | 60,216,192                            | 5,825,001                                      | -                                    | -    |
| Income Tax Receivable                           | 1,494,550   | -                                   | -                               | -                                   | -   | 1,402,351                             | -  | -                                    | -    |
| Prepaid expenses                                | 3,153,592   | 104,091                             | -                               | -                                   | -   | 3,300,948                             | -  | -                                    | -    |
| Total Current Assets                            | \$ 14,313,684   | \$ 56,096,100                       | \$ (1,722,958)                  | \$ (12,599,350)                     | \$ (299,576)                                      | \$ 268,775,282                        | \$ 10,516,970                                  | \$ -                                 | \$ - |
| Investments                                     | 190,574   | 1,947,127                           | -                               | -                                   | -   | -                                     | -  | -                                    | -    |
| Investments in Subsidiaries & Affiliates        | 612,435,426   | 240                                 | -                               | -                                   | -   | -                                     | -  | -                                    | -    |
| Total Investments                               | 612,626,000   | 1,947,367                           | -                               | -                                   | -   | -                                     | -  | -                                    | -    |
| Property, plant & equipment                     | 3,143,481   | 3,877                               | 7,898,289                       | -                                   | -   | 11,208,784                            | -  | -                                    | -    |
| (Less: Acc. Deprec. Property, plant & equipmen) | (2,903,810)   | (3,877)                             | (2,928,765)                     | -                                   | -   | (3,771,886)                           | -  | -                                    | -    |
| Property, plant & equipment - net               | 239,671   | -                                   | 4,969,523                       | -                                   | -   | 7,436,898                             | -  | -                                    | -    |
| Total Intangible Assets - Net                   | 982,154   | 2,527,041                           | -                               | -                                   | -   | 209,377,045                           | 2,151,818                                      | -                                    | -    |
| Deferred Tax Assets - Net of Allowances         | (9,044)   | -                                   | -                               | -                                   | -   | -                                     | -  | -                                    | -    |
| Other Assets - LT                               | 1,805,372   | 300,000                             | -                               | -                                   | -   | 5,999                                 | -  | -                                    | -    |
| Property held For Sale - LT                     | -   | -                                   | -                               | 6,112,710                           | -   | -                                     | -  | -                                    | -    |
| Total Long Term Assets                          | \$ 615,644,153  | \$ 4,774,408                        | \$ 4,969,523                    | \$ 6,112,710                        | \$ -  | \$ 216,819,941                        | \$ 2,151,818                                   | \$ -                                 | \$ - |
| Total Assets                                    | \$ 629,957,836  | \$ 60,870,508                       | \$ 3,246,565                    | \$ (6,486,640)                      | \$ (299,576)                                      | \$ 485,595,223                        | \$ 12,668,788                                  | \$ -                                 | \$ - |
| Account payables                                | 4,286,878   | (1,004,315)                         | -                               | 3,671                               | -   | (3,561,343)                           | (2,554,531)                                    | -                                    | -    |
| Short-term bank loans                           | 28,000,000  | -                                   | 213,796                         | -                                   | -   | -                                     | -  | -                                    | -    |
| Accrued Compensation                            | 2,946,079   | 193,792                             | -                               | -                                   | -   | 1,747,367                             | -  | -                                    | -    |
| Accrued Income Tax                              | (33,244)  | -                                   | -                               | -                                   | -   | (2,208,291)                           | -  | -                                    | -    |
| Accrued Environmental Remediation               | -   | -                                   | -                               | 3,676,501                           | -   | -                                     | -  | -                                    | -    |
| Accrued expenses - Other                        | 11,491,357  | 56,671                              | 11,076                          | -                                   | -   | 96,545,824                            | 1,256,694                                      | -                                    | -    |
| Total Current Liabilities                       | \$ 46,691,070   | \$ (753,852)                        | \$ 224,872                      | \$ 3,680,172                        | \$ -  | \$ 92,523,557                         | \$ (1,297,837)                                 | \$ -                                 | \$ - |
| Bank & Long-term loans payable                  | -   | -                                   | 2,220,187                       | -                                   | -   | -                                     | -  | -                                    | -    |
| Convertible Senior Debt                         | (1,357,309)   | -                                   | -                               | -                                   | -   | -                                     | -  | -                                    | -    |
| Accrued Income Tax LT                           | 5,322,572   | -                                   | -                               | -                                   | -   | -                                     | -  | -                                    | -    |
| Other long-term liabilities                     | 127,606   | 403,000                             | -                               | -                                   | -   | 1,640,752                             | -  | -                                    | -    |
| Total Long Term Liabilities                     | \$ 4,092,869  | \$ 403,000                          | \$ 2,220,187                    | \$ -                                | \$ -  | \$ 1,640,752                          | \$ -   | \$ -                                 | \$ - |
| Total Liabilities Not Subject to Compromise     | \$ 50,783,938   | \$ (350,852)                        | \$ 2,445,059                    | \$ 3,680,172                        | \$ -  | \$ 94,164,308                         | \$ (1,297,837)                                 | \$ -                                 | \$ - |
| Total Liabilities Subject to Compromise         | \$ 326,186,519  | \$ 3,593,358                        | \$ -                            | \$ 18,460                           | \$ -  | \$ 150,211,271                        | \$ 6,680,320                                   | \$ -                                 | \$ - |
| Shareholders' Equity                            | \$ 252,987,379  | \$ 57,628,002                       | \$ 801,506                      | \$ (10,185,273)                     | \$ (299,576)                                      | \$ 241,219,644                        | \$ 7,286,305                                   | \$ -                                 | \$ - |
| Total Liabilities & Shareholders Equity         | \$ 629,957,836  | \$ 60,870,508                       | \$ 3,246,565                    | \$ (6,486,640)                      | \$ (299,576)                                      | \$ 485,595,223                        | \$ 12,668,788                                  | \$ -                                 | \$ - |

The notes to this monthly operating report are an integral part of these combined financial statements.

In re: Aceto Corporation, et. Al

Case No. (Jointly Administered)

Reporting Period:

February 20, 2019 - March 31, 2019

Federal Tax I.D. #

MOR-4

19-13448

11-1720520

**Status of Post-petition Taxes**

|  |  |  |  |  |
|--|--|--|--|--|
|  |  |  |  |  |
|--|--|--|--|--|

The above-captioned debtors (the "Debtors") hereby submit this attestation regarding Status of Post-petition Taxes in lieu of providing copies of post-petition tax payments and tax returns filed during reporting period.

I attest that each of the Debtors' taxing authorities have been paid on time when post-petition amounts become due. Also, tax returns are being filed in an orderly and timely fashion in accordance with tax return reporting deadlines.

/s/ Rebecca A. Roof

Signature of Authorized Individual

April 29, 2019

Date

Rebecca A. Roof

Printed Name of Authorized Individual

Chief Financial Officer

Title of Authorized Individual

In re: Aceto Corporation, et. Al

Case No. (Jointly Administered)

Reporting Period: February 20, 2019 - March 31, 2019

Federal Tax I.D. #

MOR-6

19-13448

11-1720520

**Debtor Questionnaire**

|   | Must be completed each month.   | Yes | No |
|---|---|-----|----|
| 1 | Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.   |     | X  |
| 2 | Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below.   |     | X  |
| 3 | Have all postpetition tax returns been timely filed? If no, provide an explanation below.   | X   |    |
| 4 | Are workers compensation, general liability and other necessary insurance coverages in effect? If no, provide an explanation below.   | X   |    |
| 5 | Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). If an investment account has been opened provide the required documentation pursuant to the Delaware Local Rule 4001-3. (SEE MOR NOTES.) | X   |    |